



WEST MIDLANDS
COMBINED AUTHORITY

Board Meeting

Date	17 March 2017
Report title	Midland Metro – Centenary Square / Edgbaston (Five Ways) Extensions
Cabinet Member	Councillor Izzi Seccombe – Finance & Investments
Portfolio Lead	Councillor Roger Lawrence – Transport
Accountable Chief Executive	Laura Shoaf, Managing Director, TfWM 01212147444 laurashoaf@wmita.org.uk
Accountable Employee	Phil Hewitt Metro Programme Director 0121 214 7254 philhewitt@centro.org.uk
Report considered by	Investment Board – 27 th February 2017 WMCA Programme Board – 3 rd March 2017

Recommendation(s) for action or decision:

The Combined Authority Board is recommended by the Investment Board to:-

1. Approve the submission by the WMCA to the Secretary of State for Transport of an application for The Midland Metro (Birmingham City Centre Extension, etc.) (Edgbaston Extension Land Acquisition) Order (“the Order”).
2. Approve the associated commitment of £59.0m of WMCA funding to the scheme within the context of the overall funding requirement of £149.2m.
3. Approve submission of the Full Business case to the Department for Transport requesting funding of £59.8m towards the project.

4. Note the approval by Investment Board of drawdown of up to £8.7m of WMCA funding “at risk” pending DfT’s acceptance of the final Business Case.
5. Adopt TfWM’s recommendations as set out in paragraphs 2.2.3 to 2.2.4 below

1. Purpose

- 1.1. To advise the Combined Authority Board of the recommendations and decisions of the Investment Board relating to the proposed extension of midland Metro to Centenary square and Edgbaston (via Five Ways).

2. Consideration of Project Proposals by Investment Board

- 1.2. The attached paper sets out TfWM's proposals for the continued development, construction and commissioning of the Centenary Square and Edgbaston (Five Ways) extension.

- 1.3. The Investment Board met on 27 February 2017 to consider this paper. The Investment Board recommends to the Combined Authority that it approve the following recommendations from TfWM

- 1.3.1. Approve the submission by the WMCA to the Secretary of State for Transport of an application for The Midland Metro (Birmingham City Centre Extension, etc.) (Edgbaston Extension Land Acquisition) Order ("the Order") and the associated commitment of £59.0m of WMCA funding to the scheme within the context of the overall funding requirement of £149.2m

- 1.3.2. Approve the submission of a Full Business Case to the Department for Transport.

- 1.3.3. Approve the delegation of powers from the WMCA to the Metro Programme Director and the Corporate Services Director to:-

- i. accept TC2 Project Proposals from Midland Metro Alliance for the projects provided they deliver the Centenary Square and Edgbaston (Five Ways) extension projects within the overall funding envelope of £149.2m and subject to a satisfactory report by the Alliance Auditor;
 - ii. finalise the various application documents for the Order;
 - iii. progress negotiations with any affected parties or objectors to the Order with the aim of avoiding, or securing the withdrawal of, any objections to the Order;
 - iv. Comply and deal with any public local inquiry processes and procedures arising or resulting from the submission of the application for the Order;
 - v. Progress negotiations with any landowners and leaseholders and make necessary arrangements to acquire the land within the proposed Order, conditional on the basis the Order will be made; and
 - vi. Place orders to appoint the Midland Metro Alliance, other consultants, legal advisors and others as necessary to undertake further design development work on the scheme and support the ongoing statutory process, in line with any existing agreements and in compliance with internal governance requirements and procurement best practice and in consultation with Head of Governance where appropriate.

- 1.3.4. Approve the delegation of powers from the WMCA to the Head of Governance or her nominated representative to negotiate, agree, enter into, execute and serve (where appropriate) all relevant legal agreements, notices and other documentation necessary to facilitate and underpin the Order.

- 1.4. TfWM has advised that, in order to continue to progress the project and maintain planned opening dates of 2019 (centenary Square and 2021 (Edgbaston) funding of £15.5m will be required ahead of DfT's decision on the final Business Case and release of the Government's £59.8m contribution to the project. Expenditure ahead of DfT's final decision, which is expected no later than September 2017, will be "at risk".
- 1.5. In accordance with its delegated authority, and subject to the Combined Authority's approval of item 2.2.1 above the Investment Board has approved the drawdown of £8.7m of Combined Authority funding by TfWM with the balance of the £15.5m to be secured by TfWM from 3rd parties in accordance with the funding profile set out below.

3.

	Prep/Adv	2017/18	2018/19	2019/20	2020/21	2021/22	Total
Estimated Capital Cost (QCE)	31.7	26.4	28.0	36.2	24.1	2.8	149.2
Funded By:							
GBSLGF	7.6	0.0	0.0	0.0	0.0	0.0	7.6
BCC Enterprise Zone	11.5	5.8	0.0	0.0	0.0	0.0	17.3
Third Party Contribution	0.1	1.0	3.7	0.8	0.0	0.0	5.6
WMCA Contribution	11.1	9.5	12.0	9.9	13.6	2.8	59.0
DfT Funding	1.5	10.1	12.3	25.5	10.5	0.0	59.8
Total	31.7	26.4	28.0	36.2	24.1	2.8	149.2

Financial implications

- 1.6. The detail of the project costs and funding is included within the attached report and the table above.
- 1.7. The £59m requested was included in the Investment Programme within the HS2 connectivity package and so this approval is in line with the financial plans and expectations.

4. Legal implications

- 1.8. The WMCA has power to apply for a TWAO by virtue of section 20 of the Transport and Works Act 1992. Subsection (2) of section 20 provides that the power to make a TWAO application is subject to the same conditions (if any) that apply to the applicant when promoting a Bill in Parliament.
- 1.9. The WMCA has powers to promote Bills in Parliament under section 10 of the Transport Act 1968 (as amended) and section 239 of the Local Government Act 1972 (as amended).
- 1.10. In order to comply with the conditions that apply to the exercise of the power in the LGA 1972, special notice of this meeting and its purpose has been given in accordance with section 239. If the WMCA approves the submission of the TWAO application, it is required by the LGA 1972, that after the submission of the TWAO application to the Secretary of State for Transport confirmation of this is required at a subsequent meeting.

2. Equalities implications

5.1 The extensions of Midland Metro will facilitate fully accessible journeys and access to employment, leisure, education and link to other transport modes. It is important to ensure that any proposed projects undergo a thorough impact assessment process and that consultation takes place with a range of stakeholders including disability groups – equality manager to be contacted at an early design stage.

6. Schedule of background papers

2.1. Report to WMCA 30 September 2016 Midland Metro Update